

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
VICTORIA DIVISION**

<b>In re:</b>	§	
	§	<b>Chapter 11</b>
	§	
<b>BUCCANEER RESOURCES, LLC, et al.,</b>	§	<b>Case No. 14-60041 (DRJ)</b>
	§	
<b>Debtors.</b>	§	<b>Jointly Administered</b>
	§	

**LIQUIDATING TRUSTEE'S SEMI-ANNUAL REPORT FOR PERIOD  
FROM MARCH 1, 2018 THROUGH AUGUST 31, 2018**

Jeff Compton, liquidating trustee (the "Liquidating Trustee") appointed under the order [dkt. no. 591] confirming The First Amended Joint Plan of Reorganization for the Debtors and the Debtors-in-Possession (the "Plan"), makes this semi-annual report under section 7.6.3 of the Plan for the period from March 1, 2017 through August 31, 2018.

Section 7.6.3. of the Plan requires that the Liquidating Trustee

prepare[] a semi-annual report illustrating (i) receipts and disbursements during the prior two quarters, (ii) a schedule of all asset dispositions, (iii) a schedule of Distributions made, (iv) a summary listing of the status of the resolution of objections to Claims and Causes of Action, and (v) a list of payments made to Liquidating Trust Professionals. Such semi-annual report shall be distributed to the Post-Confirmation Committee, and made available to any party in interest upon request, within fifteen (15) Business Days after the end of the relevant report preparation period.

This report covers the two quarters from March 1, 2018 through August 31, 2018.

**I. Receipts and Disbursements**

**Cash Receipts and Disbursements**

During the period of this report, the Liquidating Trustee has received a total of \$3,199,766.63. The Liquidating Trustee has disbursed a total of \$3,929,099.86 during this period. A detailed list of all receipts and disbursements is attached to this report as Exhibit A.

Total funds on deposit by the trust equal \$149,045.36 as of August 31, 2018. Those funds were held in a checking account with Texas Capital Bank used to pay expected operating expenses of the Trust. of the total funds on deposit, \$5,337.16 was attributable to uncleared checks included in previously reported disbursements (*i.e.* uncleared distribution checks). During the reporting period, funds were invested in a Merrill Lynch account through a money market fund that invests in cash, U.S. Treasury bills, notes and other obligations of the U.S. Treasury. All of the funds

held in this account were transferred to Texas Capital Bank during the reporting period and the account was closed as of July 23, 2018. The estimated annual yield was 0.90% on the money market fund as of June 29, 2018.

The majority of receipts of the Liquidating Trust during this period represent the receipt of proceeds from D&O litigation and the receipt of preference action proceeds previously held by counsel. Additionally, a refund of retainer for expert services and interest income were received by the Liquidating Trust during this period.

Disbursements were made to allowed unsecured claims, United States Trustee fees, taxes, professional fees and asset preservation costs.

## **II. Asset Dispositions**

There have been no asset dispositions during the two quarters covered by this report.

## **III. Distributions**

During this period, the Liquidating Trustee issued a final distribution of \$3,598,000 in accordance with the Notice of Distribution filed with the bankruptcy court on May 10, 2018. The distribution amount was allocated to claim totals representing \$43.8 million of undisputed claims.

To date, \$15.1 million has been distributed to holders of \$43.8 million of claims for a return of 34%.

Subsequent to the reporting period, The Liquidating Trustee made a final redistribution of \$18,000 based upon the release of uncleared checks and de minimis reserves, the refund of a retainer for expert fees and interest income received subsequent to the May 2018 distribution. No further distributions from the Liquidating Trust are expected.

## **IV. Status of the Resolution of Objections to Claims and Causes of Action**

### Objections to Claims

All previously disputed claims have now been resolved.

### Causes of Action

Since the inception of the Trust, the Liquidating Trustee was able to resolve 10 avoidance claims prior to filing an adversary proceeding. The amount recovered from these 10 avoidance claims is \$129,479.39 to the Trust after attorney fees but before expenses.

Additionally, the Liquidating Trustee filed 29 adversary proceedings to avoid transfers made by the debtors prior to bankruptcy. All of these adversary proceedings have now been resolved. 26 of these adversary proceedings have been resolved through settlement, two through the entry of default judgments, and one proceeding was dismissed upon receipt of further documentation. To

date, the net recovery to the Trust after attorney fees but before expenses from these adversary proceedings is \$452,415.13.

In total, after expenses through August 31, 2018 of \$19,791.60, the net recovery to the Trust from avoidance claims and actions after attorney fees and expenses is \$562,102.92. To date, the Liquidating Trust has received this entire amount, \$25,000 of which was received during the current reporting period. The following table summarizes the collections from avoidance actions to date:

		Since Inception of the Trust
Collections Net of Attorney Fees:		
Before Filing Adversary Proceedings	\$ 129,479.39	A
From Adversary Proceedings	\$ 452,415.13	B
Collections Net of Attorney Fees	\$ 581,894.52	C = A + B
less: Expenses	\$ (19,791.60)	D
Net Recovery to the Trust	\$ 562,102.92	E = C - D
<i>Breakdown by Location:</i>		
Cash Transferred into Liquidating Trust Bank Account	\$ 562,102.92	
Held by Counsel	\$ -	

Also, the Liquidating Trustee retained counsel to pursue the Trust's claims against the Debtors' officers and directors. During a previous reporting period, the Liquidating Trust reached a confidential resolution of the claims against three of the four defendants. During the current reporting period, the Liquidating Trust reached a confidential resolution of the claims against the remaining defendant.

#### V. Payments to Liquidating Trust Professionals

The Liquidating Trustee has paid a total of \$288,113.65 to Liquidating Trust Professionals during the period covered by this report. A detailed list of these payments is attached as Exhibit B.

DATED: October 1, 2018



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Jeff Compton  
Liquidating Trustee.